



MEDI-CAL UPDATE

Part 2

Billing and Policy

www.medi-cal.ca.gov

Medical Services • Obstetrics

January 2006 • Bulletin 378

Contents

Medi-Cal Training Seminars

Medi-Cal Crossover Claim Reminder	1
Contracted Inpatient Hospital Address Update	1
Procedure Code and Modifier on Claim and TAR Must Match	1
837 Electronic Claims with Attachments Now Available	2
Family PACT: New Sterilization Consent Form for Providers.....	2
Family PACT: Provider Orientation and Update Sessions.....	2
DUR: Use of Inhaled Long Acting Beta ₂ -Agonists in Medi-Cal Population.....	4
Medi-Cal List of Contract Drugs.....	5

Medi-Cal Crossover Claim Reminder

Providers are reminded that when Medicare makes an adjustment on a previously paid Medicare claim, the resulting automatic crossover Medicare adjustment does not get processed by Medi-Cal. When a provider receives a Medicare adjustment, the Medicare claim for the adjusted amount must be submitted in hard copy form to Medi-Cal. Prior to submitting the new claim for the adjusted amount, the provider must void the original Medicare payment, or the adjusted claim will be denied with Remittance Advice Details (RAD) code **010: This service is a duplicate of a previously paid claim.**

To receive correct reimbursement from Medi-Cal for a previously reimbursed Medicare crossover claim, providers may file either a *Claims Inquiry Form* (CIF) or an appeal.

For information about completing a CIF, refer to the *CIF Special Billing Instructions* section in the appropriate Part 2 manual. For information about appeals, refer to the *Appeal Form Completion* section in the appropriate Part 2 manual.

This information is reflected on manual replacement page [cif sp 7](#) (Part 2).

Contracted Inpatient Hospital Address Update

The California Department of Health Services (CDHS) selective hospital contracting list has been completely updated. Hospital contracts are continually changing so providers should review the information carefully. *This information is reflected on manual replacement pages [contra 1 thru 15](#) (Part 2).*

Procedure Code and Modifier(s) Combination on Claim and TAR Must Match

Effective for dates of service on or after March 1, 2006, the procedure code and modifier(s) combination on the claim submitted must match the procedure code and modifier(s) combination authorized on the *Treatment Authorization Request* (TAR). Failure to do so may result in denial of the claim.

Note: All current policies regarding the placement or order of modifiers on the claim and/or TAR remain the same.



837 v.4010A1 Electronic Claims with Attachments Now Available

Providers now have the ability to submit 837 v.4010A1 electronic claim submissions with attachments by either faxing the attachments or sending them electronically through an approved third-party vendor.

To utilize this new process, providers must be authorized to bill 837 v.4010A1 electronic claims. The fax process includes an *Attachment Control Form* (ACF) that is used as a coversheet for the supporting fax attachments. The ACF has a pre-printed Attachment Control Number (ACN) that submitters input on their electronic claim submission in the PWK segment. Providers submit the electronic claim, then fax the ACF and the attachments to Medi-Cal. Each ACF and corresponding attachments require a separate fax call. Each call to the fax server must include only one ACF as the first page, followed by the attachment pages that correspond to that ACF. The phone number to fax attachments is 1-866-438-9377.

The electronic process involves approved third-party vendors that preprocess the attachments and send the images electronically on the provider's behalf. Medi-Cal links the faxed or electronic attachments to the appropriate electronic claim.

Providers have a maximum of 30 calendar days from the date of claim submission to submit the supporting faxed or electronic attachments. For further information regarding attachment submissions, please refer to the *Billing Instructions* section of the *837 Version 4010A1 Health Care Claim Companion Guide* on the Medi-Cal Web site (www.medi-cal.ca.gov) by clicking the "HIPAA" link on the home page, then the "ASC X12N Version 4010A1 Companion Guides and NCPDP Technical Specifications" link and then the "Billing Instructions" link.



Begin using the PM 330 now for sterilizations scheduled on or after February 1, 2006.

New Sterilization Consent Form for Family PACT Providers Coming Soon

Effective for dates of service on or after February 1, 2006, claims submitted by Family PACT providers for elective sterilizations (CPT-4 codes 55250, 58600, 58615, 58670, 58671, 00851 or 00921) must adhere to all Medi-Cal policies described in the *Sterilization* section of the Part 2 provider manual, including submission of a California Department of Health Services sterilization *Consent Form* (PM 330). Use of the PM 330 also includes the following policy updates:

- Recipients must be a minimum of 21 years of age.
- A minimum 30-day waiting period between the recipient's consent and the date of the sterilization procedure is required.

Claims for elective sterilization from Family PACT providers for dates of service prior to February 1, 2006 must continue to follow current Family PACT policy as applied to the sterilization *Consent Form* (PM 284).

The revised *Family PACT Policies, Procedures and Billing Instructions* (PPBI) will be issued in a future *Updated Information*. For more information regarding Family PACT, call the Telephone Service Center (TSC) at 1-800-541-5555.



Provider Orientation and Update Sessions

Medi-Cal providers seeking enrollment in the Family PACT (Planning, Access, Care and Treatment) Program are required to attend a Provider Orientation and Update Session. The dates for the first quarter of 2006 are listed below.

Group providers wishing to enroll must send a physician-owner to the session. Clinics wishing to enroll must send the medical director or clinician responsible for oversight of medical services rendered in connection with the Medi-Cal provider number.

*Please see **Family PACT**, page 3*

Family PACT (*continued*)

Office staff members, such as clinic managers and receptionists, are encouraged to attend but are not eligible to receive a *Certificate of Attendance*. Currently enrolled clinicians and staff are encouraged to attend to remain current with program policies and services. Medi-Cal laboratory and pharmacy providers are automatically eligible to participate in the Family PACT Program without attending an orientation session.

The session covers Family PACT provider enrollment and responsibilities, client eligibility and enrollment, special scope of client services and benefits, provider resources and client education materials. This is not a billing seminar.

Please note the upcoming Provider Orientation and Update Sessions below.

January 23, 2006**Department of Health Services
Auditorium**

1500 Capitol Avenue
Sacramento, CA 95814

March 20, 2006**Department of Health Services
Auditorium**

1500 Capitol Avenue
Sacramento, CA 95814

For a map and directions to the DHS Auditorium, go to the Family PACT Web site at www.familypact.org and click “map” under “Orientation Sessions.”

Registration

To register for an Orientation and Update session, go to the Family PACT Web site at www.familypact.org and click the appropriate date under “Orientation Sessions” and print out a copy of the registration form. Fill out the form and fax it to the Office of Family Planning at (916) 650-0468.

If you do not have Internet access, you may request the registration form by calling 1-877-FAMPACT (1-877-326-7228). Providers must supply the following:

- Name of the Medi-Cal provider or facility
- Medi-Cal provider number
- Contact telephone number
- Anticipated number of people attending

Check-In

Check-in begins at 8 a.m. All orientation sessions start promptly at 8:30 a.m. and end by 4:30 p.m. At the session, providers must present the following:

- Medi-Cal provider number
- Medical license number
- Photo identification

Note: Individuals representing a clinic or physician group should use the clinic or group Medi-Cal provider number, not an individual provider number or license number.

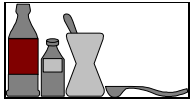
Certificate of Attendance

Upon completion of the orientation session, each prospective new Family PACT medical provider is mailed a *Certificate of Attendance*. Providers should include the original copy of the *Certificate of Attendance* when submitting the Family PACT application and agreement forms (available at the session) to Provider Enrollment Services. Providers arriving late or leaving early will not be mailed a *Certificate of Attendance*. Currently enrolled Family PACT providers do not receive a certificate.

Contact Information

For more information regarding the Family PACT Program, please call 1-877-FAMPACT or visit the Family PACT Web site at www.familypact.org.

The Family PACT Program was established in January 1997 to expand access to comprehensive family planning services for low-income California residents.



DRUG USE REVIEW

Educational Information

Use of Inhaled Long Acting Beta2-Agonists in the Medi-Cal Fee-For-Service (FFS) Population

The Food and Drug Administration (FDA) has issued new warnings for all products containing long-acting beta₂-agonists (LABAs). The FDA has requested updates to product labels and a *Patient Medication Guide* given to patients receiving Serevent Diskus (salmeterol xinafoate), Foradil Aerolizer (formoterol fumarate) and Advair Diskus (salmeterol/fluticasone). The FDA issued the following warnings about the use of a LABA medicine for the treatment of asthma:

- Even though LABAs decrease the frequency of asthma episodes, LABAs may increase the chance of severe asthma episodes, and death when those episodes occur.
- LABAs should not be the first or only medicine used to treat asthma.
- LABAs should be added to the treatment plan after the use of low- or medium-dose corticosteroids has failed to control asthma symptoms, as recommended by the National Heart, Lung, and Blood Institute [NHLBI] *Guidelines for the Diagnosis and Treatment of Asthma*¹.
- Do not use LABA to treat sudden wheezing episodes or wheezing that is getting worse.

Providers should also be aware of the following:

- The warning does not apply to chronic obstructive pulmonary disease (COPD).
- The warning does not pertain to short-acting beta agonists.

For more information about label changes or how to obtain *Patient Medication Guides*, see the following FDA Web site pages:

- www.fda.gov/cder/drug/advisory/LABA.htm
- www.fda.gov/cder/drug/infopage/LABA/default.htm

The NHLBI *Guidelines for the Diagnosis and Management of Asthma*¹ recommends the following “Stepwise Approach for Managing Asthma”:

Short-acting beta₂-agonist * → Add inhaled corticosteroid at low to medium dose → Add long-acting beta₂-agonist

- * All asthma patients should have a bronchodilator (inhaled short-acting beta₂-agonist preferred) to use as needed for symptoms.

Medi-Cal conducted a retrospective study of recipients with a recorded diagnosis of asthma to determine if prescribers/patients are adhering to recommended treatment guidelines. Patients with a diagnosis of asthma (ICD-9 code 493) on a billed medical claim, and at least one pharmacy paid claim for a short-acting beta₂-agonist (albuterol) between January 1, 2004 and June 30, 2004, were included in the initial analysis. The claims for these recipients were analyzed for a one-year study period between July 1, 2004 and June 30, 2005 to determine if there was appropriate asthma step-therapy with respect to the addition of inhaled corticosteroids and LABA agents. There were a total of 21,369 asthma recipients identified who received only a short-acting beta₂-agonist agent during the six-month lead-in period.

During the 12-month study period:

- 12 percent of asthmatics began treatment with a LABA drug before trial/failure of monotherapy with an inhaled corticosteroid.
 - Of these beneficiaries, over 99 percent moved from Albuterol directly to Advair (salmeterol/fluticasone).

Please see **Beta₂-Agonists**, page 5

Beta₂-Agonists (*continued*)

For all non-Medicare Medi-Cal patients with a paid medical claim reporting a diagnosis of asthma in the same study period (N = 113,364), 26,912 recipients received at least one prescription for Advair. The study also yielded the following data:

- 15 percent of patients receiving Advair did not have a single paid claim in the same 12-month period for a short-acting beta₂-agonist agent as a quick reliever.
- 2 percent of patients receiving Advair had at least one occurrence of an inhaled corticosteroid filled on the same day as their Advair, with many patients showing up to 12 occurrences over the 12-month period.

Prescribers are reminded to refer to the NHLBI guidelines for the management of asthma patients. Pharmacists should carefully screen for duplication of asthma therapy and to consult patients taking LABA about the risk of severe asthma exacerbations.

Medi-Cal is monitoring the use and clinical outcomes of all long-acting beta₂-agonists.

To report any unexpected adverse events associated with these agents, contact the FDA MedWatch program at 1-800-FDA-1088; by FAX at 1-800-FDA-0178; by mail to MedWatch; Food and Drug Administration; HFD-410; 5600 Fishers Lane; Rockville, MD 20857-9787; or online at www.fda.gov/medwatch/report.htm.

¹ National Asthma Education and Prevention Program Expert Panel Report. *Guidelines for the Diagnosis and Management of Asthma—Update on Selected Topics*. Bethesda, MD: NIH/National Heart, Lung, and Blood Institute, (2002). (www.nhlbi.nih.gov).

Please refer to pages 36-28 and 29 in the *Drug Use Review Manual*.

Medi-Cal List of Contract Drugs

The following provider manual sections have been updated: *Drugs: Contract Drugs List Part 1 – Prescription Drugs* and *Drugs: Contract Drugs List Part 7 – Preferred Prior Authorization Drug List*.

Additions, January 1, 2006

<u>Drug</u>	<u>Size and/or Strength</u>
<u>SOLIFENACIN SUCCINATE</u>	
<u>Tablets</u>	<u>5 mg</u> <u>10 mg</u>
<u>TROSPIUM CHLORIDE</u>	
<u>Tablets</u>	<u>20 mg</u>

Change, effective November 22, 2005

<u>Drug</u>	<u>Size and/or Strength</u>
* LOPINAVIR AND RITONAVIR	
Capsules	133.3 mg – 33.3 mg
Oral solution	400 mg – 100 mg/5 cc
** Tablets	200 mg – 50mg
** Prior authorization always required.	
* Restricted to use as combination therapy in the treatment of Human Immunodeficiency Virus (HIV) infection.	

Please see **Contract Drugs**, page 6

Contract Drugs (continued)

Changes, effective January 1, 2006

<u>Drug</u>	<u>Size and/or Strength</u>	
AMLODIPINE BESYLATE		
+ Tablets	2.5 mg	
	5 mg	
	10 mg	
<u>(NDC labeler code 00069 [PFIZER INC.] only.)</u>		
* FLUOXYMESTERONE		
Tablets	2 mg	
	5 mg	
	10 mg	
<u>* Restricted to the treatment of primary hypogonadism (congenital or acquired), hypogonadotropic hypogonadism (congenital or acquired), delayed puberty or metastatic mammary cancer in females.</u>		
* GALANTAMINE HYDROBROMIDE		
Tablets	4 mg	
	8 mg	
	12 mg	
<u>Extended-release capsules</u>	<u>8 mg</u>	
	<u>16 mg</u>	
	<u>24 mg</u>	
Solution, oral	4 mg/ml	
<u>* Restricted to treatment of mild to moderate dementia of the Alzheimer's type.</u>		
* METHYLTESTOSTERONE		
Tablets	5 mg	
	10 mg	
	25 mg	
<u>* Restricted to the treatment of primary hypogonadism (congenital or acquired), hypogonadotropic hypogonadism (congenital or acquired), delayed puberty or metastatic mammary cancer in females.</u>		
METRONIDAZOLE		
Oral tablets	250 mg	
	500 mg	
Injection	500 mg/100 cc	
Powder for injection	500 mg vial	
* Topical gel	0.75 %	28.4 Gm
<u>* Prior authorization always required.</u>		
Vaginal gel	0.75 %	70 Gm
<u>(NDC labeler code 00089 [3M] for vaginal gel only.)</u>		

+ Frequency of billing requirement

Please see Contract Drugs, page 7

Contract Drugs (continued)

Changes, effective January 1, 2006 (continued)

<u>Drug</u>	<u>Size and/or Strength</u>	
OFLOXACIN		
Ophthalmic solution	0.3 %	
Otic solution	0.3 %	5 cc 10 cc
<u>(NDC labeler code 63395 [DAIICHI PHARMACEUTICAL CORPORATION] for otic solution only.)</u>		
* Tablets	200 mg 300 mg 400 mg	
* Restricted to use in the treatment of sexually transmitted diseases.		
ONDANSETRON		
* + Injection	2 mg/cc	
* Restricted to a maximum of 32 mg per dispensing.		
* + Tablets	4 mg 8 mg	
* + Tablets, orally disintegrating	4 mg 8 mg	
* Restricted to a maximum of 12 tablets per dispensing.		
<u>(NDC labeler code 00173 [GLAXOSMITHKLINE] only.)</u>		
RAMIPRIL		
+ Capsules	1.25 mg 2.5 mg 5 mg 10 mg	
<u>(NDC labeler code 61570 [MONARCH PHARMACEUTICAL CORPORATION] only.)</u>		
* TESTOSTERONE		
Injection in aqueous susp.	25 mg/cc	
	50 mg/cc	
	100 mg/cc	
	25 mg/cc	
Injection in oil	50 mg/cc	
	100 mg/cc	
	200 mg/cc	1 cc/vial 10 cc/vial
<u>* Restricted to the treatment of primary hypogonadism (congenital or acquired), hypogonadotropic hypogonadism (congenital or acquired), delayed puberty or metastatic mammary cancer in females.</u>		

+ Frequency of billing requirement

Please see Contract Drugs, page 8

Contract Drugs (continued)

Changes, effective February 1, 2006

<u>Drug</u>	<u>Size and/or Strength</u>
AZITHROMYCIN	
* Tablets	250 mg
* Restricted to a maximum quantity per dispensing of six (6) tablets and a maximum of two (2) dispensings in any 30-day period.	
* Tablets	500 mg
* Restricted to a maximum quantity per dispensing of three (3) tablets and a maximum of two (2) dispensings in any 30-day period.	
* Tablets	600 mg
* Restricted to use in the prevention of infections caused by Mycobacterium organisms.	
+ Powder packet	1 Gm
* Suspension	100 mg/5cc
	200 mg/5cc
	15 cc
	15 cc
	22.5 cc
* Restricted to use for individuals less than eight years old with otitis media infection.	
<u>(NDC labeler code 00069 [PFIZER INC.] only for all dosage forms and strengths of azithromycin.)</u>	
GLIMEPIRIDE	
+ Tablets	1 mg
	2 mg
	4 mg
<u>(NDC labeler code 00039 [AVENTIS PHARMACEUTICALS] only.)</u>	

+ Frequency of billing requirement

Instructions for Manual Replacement Pages

Part 2

January 2006

Obstetrics Bulletin 378

Remove and replace: cif sp 7/8

Remove: contra 1 thru 19
Insert: contra 1 thru 15

Remove and replace: hcfa sub 1/2 *
hcpcs ii 1/2 *
inject 13 thru 34 *

Remove and replace
at the end of the

Injections section: *Recombinant Human Erythropoietin (RhuEPO) Documentation Requirements form **

Remove and replace: inject list 3/4 *
preg ex hcf 11 thru 13 *

Remove: radi dia 17 thru 25
Insert: radi dia 17 thru 26 * (*new*)

DRUG USE REVIEW (DUR) MANUAL

Remove from the
Education section: 36-27

Insert: 36-27 thru 29 (*new*)

* Pages updated due to ongoing provider manual revisions.